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THE PASSING OF THE COAL STRIKE.

TO UNDERTAKE at the present moment, pending deliberations of the commission appointed by the president, any discussion of the concrete claims of organized labor, or of the counter declarations of employers in the anthracite coal fields, would be a work of supererogation. The personnel of the High Commission, and the exceptional opportunities afforded it for ascertaining the true condition of affairs, are a sure guarantee that its judgment will be accepted throughout the community as final. The high tension to which public sentiment has been strained during the past summer is greatly relaxed, and a feeling of entire confidence in the ability of the commission to effect a fair settlement of conflicting claims prevails. This is in itself a most encouraging feature of the present situation, and it is a sincere tribute of respect to those who have brought about a cessation of industrial warfare and opened the way for conciliation where a longer deferring of peace bid fair to occasion widespread disaster and suffering.

In the adjustment of those special claims upon which the president's commission will shortly pronounce judgment, the coal miners and their employers involved in the recent struggle may be supposed to be chiefly interested, but certain issues have been sharply defined in the course of the strike, which have for the community as a whole far greater significance. These larger issues do not concern the amount of wages, nor hours of labor, nor actual conditions of labor in the coal mines, upon all of which matters the community, recognizing that intelligent judgment here must rest upon an intimate and complete knowledge of special conditions, awaits patiently, one may say indifferently, the judgment of its commission. In the popular discussions which have occupied the community during the months past, indeed, these concrete issues have been justly ignored. Even the parties engaged in controversy have themselves recognized that to a very considerable extent there have

been at stake principles affecting the fundamental rights respectively of labor, of employers, and of the public; and, in so far as the concrete issues raised involve general principles, they obviously invite general consideration and discussion.

The recent instance of industrial warfare has not been remarkable chiefly for its long duration—there have been strikes which have lasted longer—nor for the great number of men involved—as many were involved in the coal strike of 1900 and in several other strikes of recent years—nor for the amount of vested interests directly jeopardized; but remarkable chiefly for the amount of vicarious industrial embarrassment and personal suffering occasioned throughout the community for a period indefinitely longer than that during which the strike itself lasted. Nevertheless, now that an adjustment has been effected, the air has cleared, anxiety is allayed and confidence restored to a remarkable degree. There is comparatively little rancor or bitterness left in the public mind. What is left there is a serious conviction that, though individuals may not be held personally accountable, something is, nevertheless, fundamentally wrong in a condition of affairs which subjects the community to any such disastrous experience as that it is now having, and not the least noteworthy consequence of the strike is the amount of hard thinking which the community has been led to do on intricate social problems. There has, of course, been elicited an effusive declaration of opinions regarding those natural and inalienable rights guaranteed under our democratic institutions, and appertaining to man, to trade unions, corporations, and society; and, as is not uncommonly the case, the character of divinity and inalienability has seemed to attach to rights inherently conflicting. On the whole, it would appear that the divine and inalienable character of our natural inheritance has in consequence been somewhat impeached. Certainly our social philosophies have been somewhat revised. The public is never over careful of the logic underlying its conclusions. Its logic is a condition of affairs, and a condition of affairs cannot be easily put into syllogistic form. To say that the empty coal bin has caused us to modify our philosophy is an ignominious

admission—but it is true. “Our bins are empty,” the community has declared; “winter is at hand. We must have coal. If that is undemocratic, socialistic, and oppressive, we must have coal nevertheless.” And the community has accordingly materially modified its feeling about government interference with the exercise of certain “rights” by individuals, organizations, and corporations.

In consequence of this general overhauling of social philosophies, the mayors of our cities, the governors of our states, and the federal government itself have been, and are now being, called upon to act in the interests of the public. Municipalities are today entertaining petitions for the establishment of municipal coal and wood yards; experience of the past few months, it is urged, has shown the need of protection. Nor is the movement confined to this country. In Germany, we are told, a crusade is on foot against the coal syndicate there, which has, it appears, been selling coal cheaper in foreign markets than at home. We Americans are too used to that sort of private corporation tax levy to be roused to any such splendid pitch of enthusiasm as German consumers are manifesting. But for all that would-be consumers of anthracite coal—and they constitute a considerable portion of our community—have been somewhat roused during the past few weeks, and those who have heretofore been purblind to the economic fact that there is a community interest involved in the proper conduct of every industrial enterprise, have had their eyes wonderfully opened. It is now as clear as day that the community has a vital interest in the proper conduct of the coal business, and the president has simply given voice to a common sentiment in declaring this fact plainly to the leaders on both sides, assembled for conference. The conclusion of our new philosophy is summed up in the president’s opening sentences on that occasion: “There are,” he says, “three parties affected by the situation in the anthracite trade: the operators, the miners, and the general public.” The old philosophy, which we have sloughed off, conceived that there were but two parties concerned in the hiring and direction of labor, but during the recent falling out of labor

and capital, a third party, keenly alive to the interruption of normal industrial activity throughout the community, has become unwontedly roused.

This wrecking of our time-honored social philosophies is an exceedingly interesting consequence of the strike, and the popular logic underlying the general conclusion that "something ought to be done" is an instructive bit of social psychology. Those whose social theories regarding labor a few months ago par-took of the nature of the absolute—being founded, as they were conceived to be, upon that firm rock at the basis of all our institutions, namely, the axiomatic premise that every man has a right to manage his own business—have undertaken to incorporate into their philosophy a new premise which has somewhat upset the smooth tenor of their logic. Stated baldly, the course of their reasoning runs now something after this fashion: "Every man, even a coal-mine operator, has a natural and inalienable, if not divine, right to manage his own business; the public and John Mitchell have a little something to say about how he shall manage it; the government is perfectly justified in interfering; anyway we must have coal." As regards the wage-earner, the logic is equally conclusive. He has a divine right to work or not as he chooses; he hasn't a right to refuse to choose to work with non-union labor; the operators ought not, therefore, to recognize the Miners' Union which persecutes non-union labor; they should merely negotiate with its accredited delegates. The conclusion of the whole matter—and that is, after all, the essential thing—is sound and incontrovertible: we must have coal; and the logic underlying it is felt to be of no practical significance.

The operators have declared their faith no less frankly: "We have a right," they declare, "to manage our affairs; mining coal is our affair, and we have a right to manage that; the government ought to prosecute labor leaders, issue an injunction against the Miners' Union, afford us military protection, and leave us entirely alone all the while. The public is bound to respect and protect our vested interests, but the public has no interests which we are bound to respect. There is nothing to

arbitrate. We won't recognize any organization among our men, and, if they are not organized, how under heaven can we arbitrate or enter into any sort of negotiation with them."

To this line of reasoning the miners respond briefly as follows: "We demand arbitration in the name of justice; arbitration means more pay and less work; we won't agree to abide by the award anyway, if it doesn't suit us."¹

To bring order out of this intellectual chaos is not a simple undertaking. It should be kept in mind, however, as a premise essential in forming an intelligent judgment, that the conditions with which we are dealing are peculiar and special, and that it is, therefore, entirely unsafe, on the one hand, to carry over conclusions drawn from our recent experience, into other lines of industry where other conditions prevail, and, on the other hand, equally futile to apply to the anthracite coal-mining industry classic economic or social theories, more or less superannuated, and based upon experience not in the least germane to that industry. What is needed is intelligent comprehension of the actual conditions under which labor and capital are engaged in exploiting the anthracite coal fields, and it is entirely unwarrantable to institute into a general social philosophy or theory conclusions arrived at in this connection. Popular logic is notoriously faulty. It may be disregarded, but the mandates of public opinion may not be disregarded with impunity. Public opinion is often nebulous and shifty. The public mind labors and there is no issue—the mandate is not conceived. Once it has gone forth, however, it gathers strength from the very resistance which it encounters, and the mandate of public opinion during the recent strike has certainly been unambiguous. It has been to arbitrate. The inference may not be fairly drawn from this, however, as has been so generally done, that the community has pronounced in favor of some system of compulsory arbitration of all differences which may arise between labor and capital in any industry.

¹At present writing the miners are refusing to return to work where they are required to give verbal assurance that they will abide by the decision of the arbitration board.

The objections which have been raised to arbitration even in this instance have been obvious from the first. Arbitration, it has been urged, is always one-sided, since labor has no vested interests at stake, and has, therefore, nothing to lose, but everything to gain. Furthermore, a labor union is commonly an irresponsible body and cannot be held to keep any agreement entered into, nor to abide by an award; and it is urged that the Miners' Union is no exception to this rule, but has, on the contrary, itself forced men to violate contracts with employers in the past, and would, therefore, probably violate such agreements in the future.

During the progress of the strike it has been asserted repeatedly that no adjustment could be effected through arbitration, because of the action taken by the labor leaders two years ago in calling out men working at the time under an agreement to arbitrate all differences with their employers. This action has been universally denounced not only as a false and foolish move calculated to bring organized labor into well-merited disrepute, but as evidence of flagrant bad faith. The strongest argument which the operators have urged for not entering into any negotiations with the strike leaders during the past summer has been, that these are the very men who spread defection and forced a violation of agreements in 1900. But for this instance of bad faith the operators would have had a decidedly weaker case in opposing the popular demand for arbitration, and the community would hardly have countenanced their steadfast refusal to negotiate with an organization which had not given, as was thought, positive evidence of irresponsibility. Nevertheless, under duress and after long suffering the community has strained a point of honor and finally forced negotiation with this very organization of labor. In judging of the justice of this popular demand, it will be necessary to consider carefully just how flagrant an instance of bad faith we have in the case so often cited during the last few months, namely, the defection of the men at the Markle colleries in 1900.

The wages contract under which these men were working at the time contained the following clause :

Under no consideration will we enter into a strike. Any difficulties we may have with our employers are to be settled by arbitration, viz., by our choosing a competent man and their choosing one; and if these two men cannot agree, these two must choose the third, and their decision or the decision of a majority of them to be binding. It is further agreed that we will not be governed by any labor association in settling any difficulties while in the employment of G. B. Markle & Co.

This clause is couched in unambiguous terms. It is an agreement not to strike, not to be governed by any organization, and to arbitrate. In fact, if all the conditions prevailing during the strike period had been foreseen at the time the clause was drafted, it could not have been made more specific and adequate to cover them.

It is interesting to note briefly the experience of the Markle firm whose men had, at the time the mine workers' union entered the field, been working under this contract for approximately thirty-three years. In that time, according to a statement recently given out, the men had twice violated their contracts; once in 1885, when they went out on strike pending arbitration of differences under their agreements; and again in 1887, when they joined in the six-months' strike precipitated by the Knights of Labor under the leadership of T. V. Powderly. In 1897 the men resisted the efforts of agitators to call them out, presented a list of grievances to their employers, and remained at work during a period of tremendous excitement, agitation, and violence, during which twenty-one men were shot by a sheriff's posse in a neighboring district. The Markle men attended the funerals of their fellows, but steadfastly refused to join the strike. Other violations than those mentioned are not alleged, and, in view of the frequent recurrence of labor troubles throughout the anthracite coal fields during these years, we have in the experience of the Markle firm one of the strongest arguments which could be brought forward for the adoption by employers of some system of voluntary arbitration similar to that under consideration. It is to be regretted that there should have been during this long period any violations of agreement with employers who have been so obviously considerate of their employees' welfare, but it cannot be denied that the pressure

brought to bear, exerted as it has been by powerful organizations of their own fellows, with whom they were naturally in sympathy, has been extraordinary. The transgressions are certainly not so flagrant as to neutralize entirely the thirty odd years of industrial peace.

The charge now brought against the Miners' Union and personally directed against its leaders is, that, though now they "profess to be pining for arbitration," they have in fact, "with cajoleries, threats, and violence destroyed a system of arbitration under which employer and employee in the anthracite region had worked in harmony for years." "I believe that in 1900 we proved beyond question," declares Mr. Markle, "the impossibility of arbitration between [*sic.*] such an organization as that represented by Mr. Mitchell—irresponsibility on the one side and responsibility on the other."

The sincerity of these statements need not be in the least questioned, nor would anyone undertake to palliate bad faith on the part of the miners. Violation of contract is no less a violation because it happens to have been done "for the sake of your downtrodden and struggling fellow-workmen who do not enjoy such advantages as you possess" (this is the appeal made by the labor leaders), however excellent and praiseworthy the motive. But what has been very generally ignored, is that the nature of the contract under which these men had worked for so many years was peculiar. It is not a contract for any definite period, but is a condition of employment imposed by the employing firm, which terminates with employment. Employee and employer under such a compact are acting entirely within their rights at any moment in terminating it. It is not an agreement with any organization, but with men as individuals. Now in the nature of the case an individual operative cannot go on a strike. He may give up employment, but to strike implies organized action, or at least concerted action, of a considerable body of employees. It is true that toward the close of the strike period of 1900 the Markle collieries were closed down and a strike *de facto* existed among the men, but this condition of affairs resulted from the gradual spread of defection among the men, who were

appealed to on behalf of their fellow-workmen in other fields. This period of defection was also a period of negotiation. Grievances were submitted and considered by the firm; concessions were granted. It was voted on September 26, shortly before the great strike was declared off, to accept certain of these concessions and to arbitrate others. Three days later, however, the employees sent this note to their employers:

JEDDO, PA., September 29, 1900.

We, the undersigned, committee of employees of G. B. Markle & Co., appointed to arrange for arbitration under the agreement between the company and the men do report that the agreement is broken by the employees.

Whereupon the company issued notice that "The contract heretofore existing between our employees and ourselves is at an end."

It may be conceded that in urging these men to terminate their individual agreements, and join the Miners' Union in making an organized effort for an advance in wages and for a mitigation of what were conceived to be grievances, throughout the anthracite coal region, the labor leaders acted unwisely; that the men in acceding to their appeals did, as Father Phillips at the time assured them that they were doing, "deal organized labor the severest of blows;" but, on the other hand, it is clear that an individual is utterly incompetent, since he cannot individually either precipitate or avert a strike, to sign an agreement such as that under consideration. Or, to state the matter differently, such an agreement is strictly no protection against a strike, whenever the men choose to terminate it, as they are at liberty to do at any moment. The anomaly of the situation lies in this that the men acting individually are entirely within their rights in terminating their contracts, but under certain conditions they are collectively guilty of a violation of their agreement, though individually innocent. The essential character of the individual contract is, however, that it does not recognize the men collectively. Organized or concerted action of employees, or negotiation with employers, is not at all *ex contractu*. The difficulty may be stated more concretely: Fifty men terminating their

contract on Monday, say, are acting within their rights ; fifty more acting on Tuesday are also within their rights, and so on from day to day until a day arrives when, in the estimation of someone (it would be difficult to say *who*, but someone, not nominated in the bond), a strike *de facto* does exist ; whereupon all those men who have previously terminated agreements, through some *ex-post facto* infection of bad faith, suddenly become guilty. No such interpretation can fairly be put upon the contract, which is obviously valid only so long as both parties choose to abide by it. The labor leaders in 1900, therefore, in urging the men to give it up cannot be convicted of urging the men to commit a flagrant violation of their contracts. They conceived the welfare of the miners to depend upon complete organization in the coal fields, and organized action to be the only means of exacting from employers in other fields the same conditions as those enjoyed by the Markle men. Their mistake lay in believing that their organization would be weakened by allowing the Markle men to remain at work under existing contracts. The union ought to have indorsed those contracts, and have facilitated the operation of the Markle mines in every way. It was a tactical blunder to do anything else. In view of the facts, however, the universal condemnation of the miners' organization as an irresponsible body, guilty of bad faith, is seen to rest upon a pretty narrow basis. The community will not willingly accept the opinion of the operators on that point. The operators have not as yet entered into any agreements with the Miners' Union, and, therefore, that organization cannot have been guilty up to the present time of violating contracts with them. A more positive demonstration of bad faith is required. That can be had only after agreements have been made for a definite period. Should the Miners' Union break such contracts in the future, it will in so doing work its own destruction, and the operators will find public opinion with them in every contest. It is a fact of common knowledge, however, that the United Mine Workers' Union has maintained wage contracts throughout the soft-coal region, and the experience of operators there furnishes a mass of positive evidence as to the responsibility of the organization which the

operators in the anthracite region appear to have ignored altogether.

Passing now to a consideration of another charge which has been so generally preferred against the miners, namely, that they are lawless and violent, that their methods are those of intimidation, and that their strength lies in the boycott, in black-mailing the more decent and orderly of their fellows, in cowardly abuse of women and children, in rioting and even in murder; that their reign is a reign of terrorism and of Molly Maguireism, and that it is therefore, unreasonable to expect the employing corporations to deal with them; it must be granted that the arraignment of the miners is a serious one, and if the corporations had in the past refused to have dealings with employees of this troublesome, ignorant, and violent character, the problem confronting the community today—that of giving them a status as American citizens—would be immensely simplified. But it is futile to urge that corporations cannot deal with these men. They have dealt with them in the past, and are bound to deal with them in the future, and they are in a peculiar way responsible for the social conduct of this immense, isolated group of foreigners, who do not speak our language, and who know nothing of our institutions. To bring these men into the country, to build and rent them their houses, to employ them in the mines, is to deal with them. Nor does it follow, because they are lawless and violent, that they will be less so if their organization is crushed. Experience shows that there is no guarantee of order in the fact that labor is unorganized. On the contrary, organization itself depends upon the maintenance of discipline, and is to that extent a guarantee of order. Those strikes where labor has been unorganized have been characterized no less by rioting and intimidation. This has been demonstrated in the anthracite field. The miners went into the great strike of 1877 unorganized, but there were not on that account any fewer outrages, nor was there any less rioting. In other countries violence has to a marked degree characterized those strikes where labor has been least organized. M. Hálévy comments upon this fact at some length in a recent essay upon the

labor movement in France. In England organization of labor won the day years ago, and with organization of the English coal miners a new era began, "an era" writes Paul de Rousier, "of possible understanding and reasonable discussion; in other words, an era of diplomatic relations instead of continual war."¹ It is interesting to note in this connection that the Scotch mine owners, shortly after the adjustment of grievances effected with the English miners, refused to enter into any negotiation with their employees on the ground that they were unorganized and that, therefore, their leaders were irresponsible. During the recent strike in the anthracite region the operators have refused to recognize the Miners' Union on the ground that it is an irresponsible body; but certainly delegates elected on the spur of the moment, representing no sort of established organization among the men, could not be held to be more responsible for the faithful observance of agreements. The organization of labor is, indeed, no longer an open question. Where these organizations act in bad faith, and instigate riot, they must be made amenable to law. This is true of all lawless corporations and organizations. The right to order a strike is contingent upon the power of the organization to keep the peace. The right to negotiate indirectly through authorized agents, as to wages, hours and other conditions of labor, is contingent upon the power to enforce observance of compacts entered into, upon ability to deliver the goods according to con-

¹ PAUL DE ROUSIER, *The Labor Question in Britain*, p. 245. The writer observes with reference to the wages agreement entered into in 1893, in the negotiation of which the good offices of the Gladstone ministry were enlisted, that "among all elements of uncertainty which have affected the probable margins of profit, and among the risks which employers had to run, there was one more to be feared than all the others. The possibility of a strike haunted the masters like a specter, but the signing of this treaty has banished it for the present, and removed one unknown quantity from the great problems with which the coal owners have to deal. . . . This is a most important result and it is clearly due to the organization of labor." (P. 226.)

"One of the most pleasing features of unionism," writes MR. WILLIAM TRANT in his volume on the *Origin and Objects, Influence and Efficacy of Trade Unions*, "is that the most powerful associations show least inclination to strike. . . . There were strikes before there were trade unions and it is a fact worth remembering that the most violent strikes have been where unions did not exist." (P. 106.)

tract. Some English unions appreciate their responsibility in this respect and have accumulated considerable funds which they have been ready to pledge as a surety that they will stand by their compacts. The labor problem today is largely one of forcing home upon employers and employed alike, upon capitalistic corporations and labor organizations, their responsibilities, not only to each other, but more especially to the community. As organizations, they must keep the peace, or they must be made to suffer, as individuals who break the peace are made to pay the penalty.

But in all this conflict of organization with organization, it is felt that the individual is crushed between the upper and nether millstones. The freedom of the individual employer in the conduct of his business, and of the wage-earner to work or not as he chooses, is seriously restricted. "Are you ready to protect the inalienable right of man to sell his labor at what price and in what market he desires?" exclaimed one prominent coal-mine operator. "*We* are!" he declared. Here is the case of the operators in a nutshell: *they* will protect the inalienable right of man in selling his labor at his own price; they will not deal with any organization which attempts to fix a price for him. His individual freedom is safe in their hands. The laborers, however, think differently, and they have chosen to submit to a very real restriction of their own individual liberty, because they believe that they cannot, as individuals, deal with corporations on any footing of equality. Even John Stuart Mill, writing a generation ago, recognized the necessity of organization and of collective action. After remarking that supply and demand never act as physical agencies "thrusting a given amount of wages into a laborer's hand without the participation of his own will and action," Mill continues:

Still more might poor laborers who have to do with rich employers remain long without the amount of wages which the demand for their labor would justify unless, in vernacular phrase, they stood out for it; and how can they stand out for terms without organized concert? What chance would any laborer have who struck singly for an advance in wages? . . . I do not hesitate to say that associations of laborers, of a nature similar to trades unions, far from being a hindrance to a free market for labor, are the neces-

sary instrumentality of that free market, the indispensable means of enabling the sellers of labor to take due care of their own interests under a system of competition.¹

This has a strangely modern ring. It need hardly be said that concerted action is even more essential where labor has to deal, not with a "rich employer," but with a combination of powerful corporations, and when free competition is subjected to peculiar lets and hindrances. Under these conditions, our philosophy of individual liberty, though sound enough in itself, ceases to have any industrial bearing or significance whatever. It is true, but irrelevant.

Perfect and complete liberty of the individual is conditioned upon absolute isolation of the individual, and this is an inconceivable state of existence. We insist that the wage-earner shall be free to work or not, as he chooses; but our insisting that he shall be does not make him so. He cannot, in the very nature of the case, be free. As a non-union man, and, in the absence of organized action, he has no choice but to work on such terms as employing corporations or individuals offer. His alternative is to submit to the dictates of an organization of his fellows. In either case his freedom is restricted. Nor is this all. During the recent struggle organized labor has not been content with asserting its right to organize; it has gone farther and asserted — less frankly, perhaps, but no less really — the right of organized labor to compel individual workmen to submit, even against their own free choice, to the dictates of the organization. Here, it is felt, is a serious transgression of individual liberty, and it is unquestionably so whenever the organization resorts to violence, or intimidation of any sort. So long, however, as corporations wield the power of their organizations to crush out individual enterprise, whenever it bids fair to endanger their interests, they cannot themselves, with a very good face, presume to criticise labor organizations for similar action. It is certainly entirely in order to ask how far the organization of industry is inimical to the exercise of individual freedom. The community has long had to face the problem of capitalistic corporations forcing out

¹*Principles of Political Economy*, Vol. II, p. 553.

individual employers. This, it is maintained quite justly, is the inevitable consequence of industrial development. Well, then, the appeal of organized labor must rest also upon the necessity of organization to secure certain advantages — never, it is needless to say, upon threats of violence or intimidation, which are in any event conclusive evidence of weakness and of early dissolution. A union is strong only in proportion as its members are loyal, and wherever force is resorted to there is necessarily engendered a feeling of disloyalty, which sooner or later breeds dissension, open rupture and disintegration. Where a union seeks legitimate objects it may safely depend upon the force of individual interest to establish it firmly and to increase its membership. The surrender of individual liberty must not exceed the gain in power which comes from the ability to bargain collectively for wages. Nor, on the whole, has it exceeded that limit. A workman's right to act independently within any industrial group is to be preserved so long as, and in those cases where, the welfare of the industrial group demands that it shall be preserved; but it is conceivable that in any such isolated group of wage-earners as that of the coal miners individual liberty should be considerably restricted. It is conceivable, for example, that every certified coal miner should be expected and virtually forced to join the Miners' Union, and so make himself amenable to the specifications of any contract for labor entered into with employers. It is quite conceivable that employers should themselves force this action as a condition of employment in the mines. Indeed, throughout the soft-coal region, this has been for some years virtually the condition of employment. As is well known, the mine owners in the bituminous fields negotiate wage compacts with representatives of the United Mine Workers annually, and the individual miner has no status, under these compacts, except as a member of that organization. In other countries membership in a labor organization is made more or less compulsory by legislative enactments, and it is no more a transgression of divine right than certain other social requirements. Individual liberty or constraint in this matter is not an affair of statute legislation, nor of public opinion, nor of social theory,

but a question of fact. Is the small manufacturer, or operator, or employer of labor freer to engage in industry because there is no statute forbidding him to engage in business with a capital of less than \$500,000, or \$1,000,000, or \$100,000,000, or \$1,000,000,000? Not in the least. Amount of capital is not the sole constraining condition encountered by individual employers, nor even the chief one. The constraint may be inherent in the existence of a natural monopoly, such as undeniably exists in the anthracite coal region, or in the control of transportation facilities. Whatever the conditions, the fact that there are not any statute enactments, or that public opinion assents or dissents, does not make them less oppressive and effective in restricting individual liberty. Nor is the wage-earner made free by the simple mandate of public opinion that he shall be so. On the contrary, under existing conditions in certain industries, he will probably in the near future be forced to choose between joining the union and taking up some other trade. It should be noted, to their credit, that unions are commonly disposed to enroll as members all who wish to join their ranks. Should they ever close their doors and become close corporations, such as the trade guilds of the Middle Ages, the community might be justified in protesting vigorously.

Coming now to a consideration of the general question, whether or not an organization of labor, such as the United Mine Workers' Union, can force an advance in wages and thereby enable an industrial group to raise its standard of living, it is clear that its power to do this is strictly limited by the ruthless working of economic laws. As regards the wages earned by anthracite-coal miners, however, these laws, though they may not work uncertainly, certainly do work obscurely, and it would be unwise to venture any prediction as to the probable economic consequences of a given rise in wages. It is conceivable that the present rates of wages are as high as the industry will bear; that any increase in those rates would necessitate a rise in the market price of hard coal, which would occasion a considerable restriction in the demand for it. There is, however, no way of determining beforehand what would be the effect upon demand of a given rise in

price. Moreover, the margin of profit in mining coal is not the same at any two mines, and it is not at all likely that any contemplated rise in wages could make coal-mining unprofitable under the more favorable conditions existing at the richer mines, even if the market price of coal were left unchanged. On the other hand, any rise in wages, however slight, might, and probably would, wipe out the small margin of profits now earned at the poorest mines, and certain shafts might have to be abandoned. It is a significant fact, however, that those operators who have seemed to be most seriously embarrassed in the past, when wages have been forced up, have been the independent mine owners. There is no reason to believe that the properties operated by these independent firms are poorer than some of the properties operated by the coal-carrying and coal-mining corporations, and the inference has been pretty freely drawn that the embarrassment of these firms resulted from excessive freight charges exacted by the coal-carrying companies. It is obviously a matter of indifference to those companies engaged in the mining and transportation of coal, whether their profits represent earnings on one service or the other ; but where they receive coal from independent operators for transportation to market, they have clearly an incentive to force up freight charges. Whether these charges have been kept unduly high or not is a question of fact which may not be easily determined, but the burden of proof that rates are fair certainly lies with those corporations which have "persistently defied the efforts of two sovereign states" to keep the coal-carrying service and the coal-mining service under separate corporate management. At the present time the independent operator finds the market price of coal fixed for him by these great corporations. The rate of wages which he must pay is, or will be, absolutely fixed by wage compacts binding throughout the region ; and the companies determine also what he shall pay for transportation. Under these conditions the fact that an independent operator cannot afford to advance wages is not in itself conclusive proof that his property is naturally too poor to work, nor that the rate of wages ought not to advance ; it may be evidence that a portion of his legitimate profits, and of the miners'

legitimate earnings in mining coal is diverted into the hands of the carrying companies.

It is, however, extremely puerile to discuss the cost of mining coal and the cost of bringing it to market, as though these were real factors determining the price of coal in the market, and so conclude that the price will in the future maintain any nice relation to these factors, rising as cost of production rises, and falling as it falls. Into this cost of production, as it is commonly figured, enters the element of interest charges on the capitalization of the properties, and this capitalization has been itself determined by dividend yielding capacity. So that any margin of income over what is commonly understood as constituting a normal rate of profit—that is to say, income representing monopoly value of these properties has long since been capitalized and is today accredited to to the interest account; and so it becomes nominally an item in the cost of production of coal. Any other cost of production than one including this perfectly elastic element of interest or dividend charges is intangible and unrelated to price. The price of coal in the market is, in fact, not at all related to cost of production, in the common understanding of that phrase, but to supply forthcoming, and it is, according to Dr. Roberts, the opinion of experts that the output from the mines during the last few years has approached very nearly to the maximum possible. So that in the absence of any artificial limiting of supply by the coal companies, we have a fairly definite limit to any considerable increase in natural conditions. With supply fixed and the demand increasing from year to year, as it must tend to do as population increases, the price of coal will inevitably rise, quite independently of cost of production. The countervailing factors tending to diminish the profits of the companies will lie in increased cost of working the mines at greater depths and in narrower seams, in the competition of other fuels, and the exploitation of other sources of heat and energy, such as winds, tides, and water-courses, and, finally, advance in rates of wages through the organization of labor, or from other causes. Any such advance is, however, under the circumstances, decidedly problematical, and is quite offset by the possibility that wages will

decline owing to an oversupply of labor, which seems likely to result from the improvident increase of the mining population. With the demand for labor, on the supposition that it does not actually fall off, practically fixed now at the maximum point and the supply increasing, wages are bound to decline. The rate of wages are not determined by philanthropy, and no organization of labor which does not control the supply of it can keep wages permanently high under these conditions. The miners' hopes, in so far as they are grounded upon organization alone are, therefore, built upon a dangerous quicksand. Even should the miners' organization succeed in maintaining present rates of wages or higher, it would have no means of so extending employment as to provide for any considerable increase in population, and wages cannot permanently remain high where the number of the unemployed is steadily increasing.

It may be remarked in this connection that the conditions in the anthracite field are ideal for the organization of that new species of trust described by Professor J. B. Clark, where organized capital and organized labor combine for mutual advantage in the conduct of a great industry. Wherever such a combination to increase wages and profits at the expense of the public becomes imminent, it behooves the community to look well to its own interests.

Certain conclusions, chiefly negative, are obvious: First, that intimidation, riot, and murder done during a strike are not involved in any discussion of the labor problem proper, but are, then as at other times, criminal offences against our common law, with which our courts must deal as they deal with other crimes. Secondly, that arbitration is not in the nature of a remedy for industrial evils, but is merely a method of determining quickly and intelligently what is fair and just under existing conditions, which may be good or bad. And, thirdly, that organization of labor in any such isolated industrial group of wage-earners as that of the hard-coal miners in Pennsylvania, cannot control rates of wages unless it can control the growth of population, and so prevent an excess of supply of labor over the demand for it, such as has existed in the past throughout that

region. Any considerable increase of the mining population, under existing conditions, means unquestionably a diminution of earnings per family, and a lower standard of living among the miners generally. The future welfare of the mining population depends upon an adjustment of the supply of labor to the demand for it. That is the whole problem. In effecting such an adjustment the Miners' Union may, under wise leadership, become a powerful agent, and, should it accomplish this difficult task, it will have done a great social service.

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